



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

January 5, 2009

Al Lillestol, Executive Director  
Franklin Career College, Inc.  
1274 Slater Circle  
Ontario, CA 91764

Dear Mr. Lillestol:

**RE: FINAL MONITORING VISIT REPORT** for Franklin Career College – ET07-0348

<b>Date of the Visit:</b>	12/04/08
<b>Beginning/Ending Time of Visit:</b>	1:45 a.m. – 4:00 p.m.
<b>Date of Last Visit:</b>	5/23/08
<b>Location of Visit:</b>	Ontario
<b>Persons in attendance:</b>	Rose Hernandez, Former Executive Director, Franklin Career College; and Krista Campion, Contract Analyst, Employment Training Panel
<b>Action Required from this visit :</b>	NO

## **CONTRACT INFORMATION**

<b>Term of Agreement:</b>	04/30/07 – 04/29/09	<b>Agreement Amount:</b>	\$1,592,460
<b>Training Start Date:</b>	4/30/07	<b>Total No. to Retain:</b>	360
<b>Date Training must be Completed:</b>	01/28/09	<b>No. of Jobs:</b>	6
<b>Type of Trainee:</b>	New Hire and W2W New Hire	<b>Hours of training per Job No.:</b>	166 – 262

**ACTION ITEMS REMAINING FROM  
THE PRIOR VISIT:**

None

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- **HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on 6/08/07. Training commenced on this project on 4/30/07 and Ms. Hernandez reported that all training has ended with the exception of a few Job 4 trainees who are all projected to complete training by 1/16/09. This allows for the 90-day retention period to be completed within the term ending date of the Agreement – 4/29/09.

ETP executed one Amendment to the Agreement on 2/22/08 that added a Phase 2 of training and three additional Job Numbers to the Agreement.

- **INTERVIEW WITH THE SIGNATORY, ROSE HERNANDEZ, EXECUTIVE DIRECTOR**

This new-hire training project was designed to train and place unemployed individuals in the occupations of Office Machine Repairer, Medical/Dental Biller, Clinical Back Office Medical Assistant, and Certified Nurse Assistant. Additionally, this project included training for Welfare to Work (W2W) Certified Nurse Assistant new-hire trainees.

Ms. Hernandez stated that she was very pleased with the progression of training under this project and projected that Franklin Career College would earn approximately 97 percent of the Agreement amount when the final invoice is submitted. She also stated that this training project provided the opportunity for unemployed individuals to gain the necessary skills to advance into full-time, secure employment in healthcare industries, and in office machine repair industries. She stated that there is a large demand for CNA's and Franklin Career College has experienced no problems with training and placing the W2W recipients in full-time jobs.

However, she also reported that, as a result of the downturn in the economy, some trainees (non-CNA positions) who were placed into employment in 2008 were subsequently laid off prior to completing the 90-day retention period; therefore, had to be re-hired into employment. As a result, some final payment invoices have been delayed.

Ms. Campion was informed on 1/8/09 that Ms. Rose Hernandez is no longer with Franklin Career College, and the new Executive Director is Al Lillestol.

**PROJECT STATUS PROVIDED BY THE CONTRACTOR**

Trainees Enrolled:	532
Dropped Following Enrollment:	94
Completed Training or are projected to complete by 1/16/09:	353
Hired:	264
Awaiting Hire:	97
Completed Retention:	*161

\*The ETP Contract Status Report reflects 106 placements because Franklin Career College has yet to submit final placements invoices on 55 trainees.

**PROJECTED EARNINGS / NUMBER TO RETAIN**

As shown above, 353 trainees have completed training of whom 161 have completed the 90-day retention period. Ms. Hernandez projected that Franklin Career College would complete the 90-day retention period for a maximum total of 350 trainees as shown below:

Job No.	# Specified in Agreement	# Completed Training	# Hired Into Employment	# Projected to Be Retained
1	120	120+	110	120
2	30	29	26	26
3	30	28	25	28
4 (Phase II)	120	120+	74	120
5 (Phase II)	30	26	14	26
6 (Phase II)	30	30	15	30
<b>TOTALS</b>	<b>360</b>	<b>353</b>	<b>264</b>	<b>Approx. 350</b>

To date, ETP has reimbursed Franklin Career College \$972,027 in progress payments, of which \$467,991 is *earned* or *earned – in process*. If the aforementioned 350 trainees complete all Agreement performance requirements, Franklin Career College could potentially earn \$1,559,278 or 98 percent of the Agreement amount.

Ms. Campion reminded Ms. Hernandez that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement.

## **ATTENDANCE ROSTERS**

The Analyst reviewed attendance rosters for Job Number 5 and 6 trainees that were completed during the period 9/29/08 – 11/21/08 in Commercial Skills. The Analyst checked to ensure that the attendance records were completed in accordance with Title 22, California Code of Regulations (CCR), Section 4442. The Analyst found that the records reviewed were completed in accordance with CCR 4442.

## **WELFARE-TO-WORK (W2W) TRAINEE ELIGIBILITY REQUIREMENTS (Jobs 3 and 6)**

According to the Agreement, a W2W trainee must: be receiving CalWORKS benefits at the time training begins; or, be eligible to receive CalWORKS benefits; or, have received CalWORKS benefits within one year of the time of the commencement of training. The Analyst reviewed copies of W2W Notification of Action or Verification of Benefits forms for 11, Job 6 W2W trainees and found that the forms verified CalWORKS eligibility.

## **AUDIT**

Franklin Career College will be notified in writing if this Agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

## **RECORD RETENTION**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

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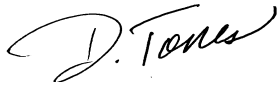
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If you have any questions or comments regarding the information in this letter, please contact Ms. Campion at 619-686-1917, or at [kcampion@etp.ca.gov](mailto:kcampion@etp.ca.gov), within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager  
San Diego Regional Office



Krista Campion, Contract Analyst  
San Diego Regional Office

cc: Kulbir Mayall, Fiscal Manager, ETP  
Master File  
Project File